

AMENDED PERMIT**APPLICATION FOR PERMISSION TO CHANGE POINT OF DIVERSION, MANNER
OF USE AND PLACE OF USE OF THE PUBLIC WATERS OF THE STATE OF
NEVADA HERETOFORE APPROPRIATED**Date of filing in State Engineer's Office DEC 16 1997Returned to applicant for correction JAN 9 1998

Corrected application filed _____

Map filed APR 1 1997 under 62937

The applicant **Edward C. Allred & Charmay Allred** hereby make application for permission to change the **manner and place of use** of water heretofore appropriated under **Permit 19900, Certificate 13656**

1. The source of water is **Underground**
2. The amount of water to be changed **1.404 c.f.s., but not to exceed 513.6 acre-feet annually**
3. The water to be used for **Municipal**
4. The water heretofore permitted for **Irrigation and Domestic**
5. The water is to be diverted at the following point **SW¼ NW¼, Section 34, T.17N., R.22E., M.D.B.&M., or at a point from which the NW corner of said Section 34, bears N. 21° 45' 41" W., a distance of 1,903.12 feet.**
6. The existing permitted point of diversion is located within **Unchanged**
7. Proposed place of use **See Attachment "A"**
8. Existing place of use **See Attachment "B"**
9. Use will be from **January 1 to December 31** of each year.
10. Use was permitted from **January 1 to December 31** of each year.
11. Description of proposed works **A drilled and cased well, equipped with a motor, pump, meter and municipal distribution system.**
12. Estimated cost of works **In excess of \$100,000.00**
13. Estimated time required to construct works **One (1) year**
14. Estimated time required to complete the application of water to beneficial use **Five (5) years**
15. Remarks: **See Attachment "C"**

s/Gregory M. Bilyeu
By **Gregory M. Bilyeu - Agent**
P.O. Box 70458
Reno, Nevada 89570-0458

Compared jr/lw

Protested _____

APPROVAL OF STATE ENGINEER

This is to certify that I have examined the foregoing application, and do hereby grant the same, subject to the following limitations and conditions:

This permit to change the place of use and manner of use of the waters of an underground source as heretofore granted under Permit 19900, Certificate 13656 is issued subject to the terms and conditions imposed in said Permit 19900, Certificate 13656 and with the understanding that no other rights on the source will be affected by the change proposed herein. The well shall be equipped with a 2-inch opening and a totalizing meter must be installed and maintained in the discharge pipeline near the point of diversion and accurate measurements must be kept of water placed to beneficial use. The totalizing meter must be installed before any use of the water begins or before the proof of completion of work is filed. If the well is flowing, a valve must be installed and maintained to prevent waste. This source is located within an area designated by the State Engineer pursuant to NRS 534.030. The State retains the right to regulate the use of the water herein granted at any and all times.

This permit does not extend the permittee the right of ingress and egress on public, private or corporate lands.

The well must be sealed with cement grout, concrete grout or neat cement from ground level to 100 feet.

This Permit is amended to allow for pumpage of the supplemental groundwater portion of the permit for municipal purposes during periods of drought as defined.¹

The total combined duty of water under Amended Permits 63626, 63628, 63630, 63632, 63633, 68196 and 68198, being the supplementally adjusted stand-alone groundwater portion that may be utilized for will-serve commitments shall not exceed 377.04 acre-feet annually.

The total combined duty of non-supplemental underground water under Permits 49483, 49486, Certificate 14718; Permits 50361, 56593, Certificate 14706; Permit 58931, Certificate 14719; Permits 58932, 58933, Certificate 14720; Permits 58934, 62937, 62938, Certificate 15662; Permits 62939, 62940, 63626, 63628, 63630, 63632, 63633, 64128, 64957, 66427, 68155, 68156, 68196, 68197, 68198, 68708, 68737, 69243, 69244, 69245, Permits 70040, Certificate 17322; 70041, Certificate 17323; 70042, Certificate 17324; Permits 70693, 70846, 71379, 71476, 71477, 71536, 71537, 71688, 71856, 71857, 71872, 71873, 72603, 72773, 72774, 72775, 72914, 72931, 72932, 72933, 73157, 73158, 73183, 73393, 73394, 73473, 73474, 73490, 73491, 73992, 74283, 74284, 74285, 74286, 74369, 74370, 74427, 74434, 74562, 74569, 74612, 74922, 75101, 75102, 75103, 75104, 75157, 75159, 75160, 75277, 75366, 75367, 76525, 77110, 77136 and 77288, 77428, 77612, 77613, 77661 and 77662 shall not exceed 9,290.52 acre-feet annually.

An additional duty of 1,058.25 acre-feet annually under Amended Permits 63626, 63628, 63630, 63632, 63633, 68196 and 68198, being the supplementally adjusted groundwater portion issued supplemental to Carson River Decreed (CRD) rights, representing 2.5 acre-feet per acre of supplemental land stripped, may be pumped for municipal purposes during periods of drought as defined and with the following additional conditions:

- Lyon County must provide notice to the State Engineer prior to pumping any of its supplemental groundwater.

¹ A drought year for the purposes of this amended permit is currently defined as a water year which is 70% or less of the average annual snowpack for the Carson River Basin as of April 1st of that year as reported by the U.S. Department of Agriculture, Natural Resources Conservation Service. The supplemental groundwater rights will not be subject to forfeiture under NRS 534.090. Lyon County may petition the State Engineer to pump its supplemental groundwater for Municipal and Quasi-Municipal Use within the Dayton Valley Groundwater Basin in years that do not meet the criteria of a drought as described above, but for which rare and unusual circumstances prevent the diversion of the Carson River decreed (CRD) source. It will be the responsibility of Lyon County to establish that such conditions exist and granting of the petition will be at the discretion of the State Engineer.

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- This supplemental groundwater cannot be converted to a *stand-alone* groundwater right, and cannot be used for any new will-serve commitments. This supplemental groundwater can only be used when the allocated available CRD water has been fully utilized. This water may only be used to supplement those will-serve commitments tied to the CRD rights associated with these permits.
- This Permit does not authorize any increase in the total amount of groundwater pumped in the Dayton Valley Groundwater Basin; nor does it interfere with the State Engineer's authority to review, approve or deny any future applications for supplemental groundwater use.

The issuance of this permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies.

Monthly records shall be kept of the amount of water pumped from this well and all Dayton Utility wells and the records submitted to the State Engineer on a quarterly basis within 15 days after the end of each calendar quarter. Additionally, Lyon County shall file a report by February 15th of each year, in a format approved by the State Engineer, setting forth in detail all diversions of groundwater and surface water for the previous calendar year.

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed 1,404 cubic feet per second, **but not to exceed 513.6 acre-feet annually.**

Work must be prosecuted with reasonable diligence and be completed on or before:

December 19, 2001

Proof of completion of work shall be filed on or before:

January 19, 2002

Water must be placed to beneficial use on or before:

December 19, 2005

Proof of the application of water to beneficial use shall be filed on or before:

January 19, 2006

Map in support of proof of beneficial use shall be filed on or before:

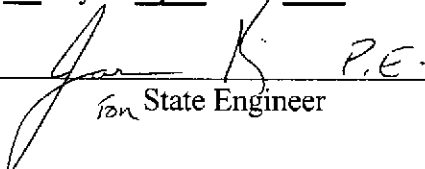
January 19, 2006

IN TESTIMONY WHEREOF, I, TRACY TAYLOR, P.E.,

State Engineer of Nevada, have hereunto set

my hand and the seal of my office,

this 1st day of April A.D. 2010



State Engineer

Completion of work filed _____

Proof of beneficial use filed _____

Cultural map filed _____

Certificate No. _____ Issued _____

SC/11b

ATTACHMENT "A"

7. Proposed Place of Use

T.16N., R.21E., M.D.B. & M.:

All of Section 1; SE $\frac{1}{4}$ SE $\frac{1}{4}$, Section 2; All of Section 11; SW $\frac{1}{4}$, W $\frac{1}{2}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$, portion of the SE $\frac{1}{4}$ NW $\frac{1}{4}$, portion of the W $\frac{1}{2}$ NE $\frac{1}{4}$, portion of the NE $\frac{1}{4}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$, portion of the NW $\frac{1}{4}$ SE $\frac{1}{4}$, portion of the E $\frac{1}{2}$ SE $\frac{1}{4}$, Section 12; Portion of the W $\frac{1}{2}$ NW $\frac{1}{4}$, portion of the NE $\frac{1}{4}$ NW $\frac{1}{4}$, portion of the N $\frac{1}{2}$ NE $\frac{1}{4}$, Section 13; E $\frac{1}{2}$, Section 14; SE $\frac{1}{4}$ SW $\frac{1}{4}$, E $\frac{1}{2}$, Section 23; N $\frac{1}{2}$ Section 24; Portions of the NW $\frac{1}{4}$, Section 26; SW $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$, portion of the SE $\frac{1}{4}$ NE $\frac{1}{4}$, portion of the NE $\frac{1}{4}$ SE $\frac{1}{4}$, Section 27; E $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$, Section 28; NE $\frac{1}{4}$ NW $\frac{1}{4}$, N $\frac{1}{2}$ NE $\frac{1}{4}$, Section 33; N $\frac{1}{2}$ NW $\frac{1}{4}$, Section 34.

T.16N., R.22E., M.D.B. & M.:

All of Section 3; N $\frac{1}{2}$, N $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$, portion of the SW $\frac{1}{4}$ SE $\frac{1}{4}$, Section 4; Portion of the NW $\frac{1}{4}$ NW $\frac{1}{4}$, Section 5; NW $\frac{1}{4}$, N $\frac{1}{2}$ NE $\frac{1}{4}$, portion of the S $\frac{1}{2}$ NE $\frac{1}{4}$, portion of the NW $\frac{1}{4}$ SE $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$, portion of the NE $\frac{1}{4}$ SW $\frac{1}{4}$, portion of the S $\frac{1}{2}$ SW $\frac{1}{4}$, Section 6; W $\frac{1}{2}$ W $\frac{1}{2}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$, portion of the NW $\frac{1}{4}$, NE $\frac{1}{4}$, Section 9; NW $\frac{1}{4}$ Section 16; All of Section 17; S $\frac{1}{2}$ SW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$, Section 18; All of Section 19.

T.17N., R.21E., M.D.B. & M.:

SE $\frac{1}{4}$ SE $\frac{1}{4}$, Section 36.

T.17N., R.22E., M.D.B. & M.:

S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$, Section 31; S $\frac{1}{2}$ S $\frac{1}{2}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$, Section 33; SW $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$, portion of the SW $\frac{1}{4}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ SE $\frac{1}{4}$, Section 34.

ATTACHMENT "B"

8. Existing Place of Use

0.70 acres in the SW $\frac{1}{4}$ NW $\frac{1}{4}$ Section 34, T.17N., R.22E., M.D.B. & M.
22.70 acres in the SE $\frac{1}{4}$ NW $\frac{1}{4}$ Section 34, T.17N., R.22E., M.D.B. & M.
32.00 acres in the NW $\frac{1}{4}$ SW $\frac{1}{4}$ Section 34, T.17N., R.22E., M.D.B. & M.
37.00 acres in the NE $\frac{1}{4}$ SW $\frac{1}{4}$ Section 34, T.17N., R.22E., M.D.B. & M.
36.00 acres in the SW $\frac{1}{4}$ SW $\frac{1}{4}$ Section 34, T.17N., R.22E., M.D.B. & M.

A total of 128.40 acres are being removed from irrigation under this change application.

ATTACHMENT "C"

15. Remarks

This application is being filed along with seven (7) other applications to change the manner and place of use of those underground water rights appurtenant to the Rolling A Ranch in Lyon County. Total combined duty of all eight (8) applications shall not exceed 2639.49 acre-feet annually. Of this amount, 1693.20 acre-feet will be supplemental to surface and decreed rights on the Carson River currently in the name of or to be assigned to Lyon County as well as the existing underground rights in the name of Lyon County and part of the existing Dayton Utilities water supply. A total of 946.29 acre-feet is non-supplemental to any existing or future surface rights and to existing underground rights that are part of the Dayton Utility system.

Upon final resolution of the development agreement by Lyon County (Dayton Utilities), the rights will be transferred into joint ownership in anticipation of future development of the property.

For existing points of diversion and places of use, please refer to maps on file under Permits 13402, 13576, 19899, 19900, 19901, 19978, 20873 and 61154.